

# EXHIBIT C

STATE BAR OF MICHIGAN

**2017 Economics of Law Practice  
Attorney Income and Billing Rate Summary Report**



**SBM**  
STATE BAR OF MICHIGAN

## Contents

# Economics of Law Practice in Michigan

## 2017 Attorney Income and Billing Rate Summary Report

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# 2017 Economics of Law Practice in Michigan

## 2017 Attorney Income and Billing Rate Summary Report

*The survey was conducted in 2017 and requested 2016 income and 2017 billing rate information*

The State Bar of Michigan Economics of Law Practice Survey provides Michigan attorneys with a resource that allows access to the most current law practice economic information available. The survey results are provided as a service to members of the State Bar of Michigan.

The survey has two primary objectives:

- To provide timely, relevant and accurate information to inform and guide the practical management decisions of Michigan attorneys
- To track and illustrate changes and trends within the legal profession

The survey monitors and reports on several points of information useful to attorneys:

- Attorney income
- Prevailing average hourly billing rates by several indicators including fields of practice, judicial circuit, and geographic location
- Time allocated to billable and non-billable professional activities
- Management practices
- Perceptions regarding current and future economic circumstances related to the practice of law

The key finding report contains information pertaining to attorney income and billing rates. It is produced as an early and separate report to provide attorneys with this target information as quickly as possible, as it is the most requested information from all attorneys. All other information will be contained in the full 2017 Economics of Law Practice Summary Report that will follow.

### Methods and Measures

The 2017 Economics of Law Practice Survey was conducted in late 2017. In 2017 45.3 percent of active members were private practitioners and 54.7 percent were non-private practitioners. Based on the proportions of both groups of active members, an electronic survey was emailed to approximately 18,414 private practitioners and 22,236 non-private practice members of the State Bar of Michigan, inviting their participation. 3,843 completed questionnaires were returned by private practitioners (a 20.9 percent response rate) and 2,088 completed questionnaires were returned by non-private practitioners (a 9.4 percent response rate). Questionnaires were tabulated by Dr. James McComb, an independent consultant statistician.

To help interpret the information presented in the surveys the following is a brief description of statistical terms of measures of central tendency (median and mean) and measures of dispersion (spread).

**Mean**—The mean (also called the average) is calculated by adding the values of all responses then dividing by the number of responses. Example: Three responses (30, 1, 2) are reported. The average or mean is calculated by adding  $30+1+2=33$  and then by dividing by  $3 = 11$ .

**Median**—The median is the middle value in a series or distribution of values (50th percentile, which is initially rank-ordered (from low to high or vice versa). By definition half of the numbers are greater and half are less than the median. Example: Three responses (30, 1, 2) are reported. The median is the middle number of the order of distribution (1, 2, 30), or 2. By comparison, the average of this distribution as shown above is 11.

Use of the median as a statistical metric of central tendency reduces the effects of 'outliers' (extremely high or low values, such as the data point of 30 in the previous example) while the average does not. Median values are utilized throughout the survey results to denote the measure of central tendency.

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**Percentiles**—In addition to the median, four other percentile values are used in the survey results to reveal the spread of a particular data distribution. The percentiles include:

- 25th percentile—Also referred to as the “lower quartile.” One-fourth of the values are less and three-fourths are more than this value.
- Median or 50th percentile—Half of the values are less and half are more than the “median” value.
- 75th percentile—Also referred to as the “upper quartile.” Three-fourths of the values are less and one-fourth are more than this value.
- 95th percentile—Ninety-five percent of the values are less and five percent of the values are more than this value.

**Note of clarification:** Extreme values (multiple thousands per hour) were excluded due to their unrepresentative qualities; eight were excluded for reporting \$6,500 or above per hour.

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## I 2016 Attorney Income

**Table 1 – 2016 Reported Attorney Gross Income – Private Practitioners**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Sole Practitioner, office outside of home	825	60,000	109,000	153,358	200,000	400,000
Sole Practitioner, working out of home office	610	10,000	32,000	59,806	75,000	225,000
Sole Practitioner, sharing space	197	50,000	100,000	197,158	185,000	435,000
Managing Partner	243	150,000	290,000	982,083	600,000	2,500,000
Equity Partner/Shareholder	606	160,000	285,000	567,872	450,000	1,200,000
Non-Equity Partner	181	130,000	185,000	285,154	300,000	800,000
Of Counsel	99	48,000	100,000	159,191	225,000	489,338
Senior Associate	162	90,000	121,832	374,798	200,000	400,000
Associate	439	53,000	77,250	104,057	110,000	231,246
Arbitrator/Mediator	13	35,000	100,000	192,482	150,000	1,200,000
Assigned Counsel	3	2,000	33,500	33,500	65,000	65,000
Other	182	25,000	87,500	133,055	160,500	560,000
<b>Total</b>	<b>3560</b>	<b>55,000</b>	<b>115,000</b>	<b>289,194</b>	<b>250,000</b>	<b>700,000</b>

**Table 2 – 2016 Reported Attorney Gross Income – Non-Private Practitioners**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Academia	87	58,200	75,500	84,578	110,000	160,000
Federal Government	195	94,000	120,000	121,407	150,000	173,795
Governmental Relations	15	76,000	115,000	182,143	145,000	900,000
In-House Counsel	480	95,000	140,000	172,665	195,000	320,000
Judge	104	137,000	140,000	134,687	143,000	183,000
Law School	23	57,000	78,000	122,091	150,000	260,000
Legal Service Agency	102	46,000	57,000	64,194	70,000	125,000
Local Government	254	56,750	80,000	111,314	103,000	130,500
Military	21	73,500	91,000	99,100	124,500	162,500
Non-Law Related	122	60,000	97,750	225,754	166,000	600,000
Non-Profit Org	88	45,000	64,250	82,329	95,000	180,000
Other Judiciary	119	61,596	80,676	156,466	96,250	150,000
Retired	84	21,500	110,000	113,543	150,000	285,000
State Government	199	65,000	93,000	90,859	113,500	142,000
<b>Total</b>	<b>1893</b>	<b>67,000</b>	<b>99,870</b>	<b>132,537</b>	<b>140,000</b>	<b>250,000</b>

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## II 2017 Attorney Hourly Billing Rates

**Table 3 – 2017 Attorney Hourly Billing Rates**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Sole Practitioner, office outside of home	825	200	250	252	295	375
Sole Practitioner, working out of home office	610	150	200	208	250	350
Sole Practitioner, sharing space	197	200	240	247	280	373
Managing Partner	243	225	290	300	350	467
Equity Partner/Shareholder	606	245	300	329	400	552
Non-Equity Partner	181	223	315	319	395	567
Of Counsel	99	250	325	333	400	600
Senior Associate	162	220	260	270	315	400
Associate	439	183	225	236	270	350
Arbitrator/Mediator	13	250	275	293	350	410
Assigned Counsel	3	75	78	78	80	80
Other	182	150	200	240	307	450
<b>Total</b>	<b>3560</b>	<b>200</b>	<b>250</b>	<b>266</b>	<b>307</b>	<b>470</b>

**Table 4 – 2017 Attorney Hourly Billing Rates by Years in Practice**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
<1	52	150	190	197	233	333
1 to 2	155	165	200	209	250	300
3 to 5	278	175	209	219	250	325
6 to 10	485	195	225	239	283	380
11 to 15	352	200	250	275	300	450
16 to 25	757	200	253	279	325	475
26 to 30	393	200	250	278	328	530
31 to 35	367	200	250	275	325	515
>35	861	200	250	284	335	510
<b>Total</b>	<b>3700</b>	<b>200</b>	<b>250</b>	<b>266</b>	<b>305</b>	<b>473</b>

**Table 5 – 2017 Attorney Hourly Billing Rates by Firm Size in a Single Location**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
1	1722	183	225	233	275	375
2	365	200	250	270	300	400
3	237	217	250	271	300	400
4 to 6	354	200	250	280	317	467
7 to 10	211	190	250	267	307	490
11 to 20	223	225	280	302	350	500
21 to 50	244	227	307	308	375	497
>50	321	255	347	358	450	573
<b>Total</b>	<b>3677</b>	<b>200</b>	<b>250</b>	<b>266</b>	<b>305</b>	<b>475</b>

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**Table 6 – 2017 Attorney Billing Rates by Office Location**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Ann Arbor area	163	213	250	278	315	497
Battle Creek area	30	192	250	235	265	300
Bay City/Midland/Saginaw area	68	175	216	217	250	300
Detroit, not downtown	155	188	225	237	279	400
Downtown Detroit & New Center area	145	200	250	286	350	550
Flint area	100	183	216	239	292	433
Grand Rapids area	391	210	275	297	350	550
Jackson area	31	200	217	239	272	385
Kalamazoo area	112	175	233	242	300	430
Lansing area	205	200	227	252	285	410
Livingston County	55	200	225	238	250	317
Mid-Michigan area (not Lansing)	57	190	225	229	260	337
Mount Clemens area	93	200	250	266	300	495
Muskegon area	62	195	218	240	253	505
Northern Michigan, Lower Peninsula	85	185	200	217	250	310
Oakland County (north of M-59)	123	200	250	249	295	373
Oakland County (south of M-59)	875	200	275	280	350	470
Other metro areas	52	183	200	221	250	375
Out of state	306	225	300	320	383	600
Out state, Lower Peninsula	59	175	200	213	250	350
Remainder Macomb County	86	200	250	249	300	400
Remainder Wayne County	182	200	225	230	255	350
Southfield	154	220	275	298	350	510
Traverse City area	55	193	225	228	257	350
Upper Peninsula	60	150	196	215	240	400
<b>Total</b>	<b>3704</b>	<b>200</b>	<b>250</b>	<b>266</b>	<b>305</b>	<b>475</b>

**Table 7 – 2017 Hourly Rates Billing Rates by Field of Practice**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Administrative Law	88	200	250	270	320	500
Appellate Law	132	195	255	265	325	480
Arbitration/Mediation	102	200	250	269	325	400
Auto (not lemon) Law	30	225	260	318	400	600
Auto no fault	142	160	250	288	400	575
Bankruptcy, Creditor	83	237	275	296	350	510
Bankruptcy, Debtor	157	200	245	243	250	350
Business/Commercial Litigation	379	250	295	304	350	495
Civil Litigation	512	200	250	272	325	450
Civil Rights	70	200	288	290	400	485
Collections, creditor	110	160	208	220	275	355
Collections, debtor	20	193	250	253	298	475
Condemnation law	9	285	350	376	450	500

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**Table 7 – 2017 Hourly Rates Billing Rates by Field of Practice**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Construction law	59	200	265	300	365	580
Consumer law (including lemon law)	41	250	300	322	400	600
Contracts	262	200	250	265	325	475
Corporate and business	498	225	275	291	340	530
Criminal (misdemeanor)	363	180	200	234	250	350
Criminal (felony)	355	200	225	250	290	400
Driver License Restoration	27	200	250	254	300	500
Elder Law	229	200	240	250	275	350
Election Law	4	178	228	226	275	275
Employment law (plaintiff)	77	250	300	313	380	485
Employment law (defense)	108	200	295	281	350	425
Entertainment Law	20	190	250	295	333	800
Environmental law	28	243	275	307	375	515
Family law	769	200	240	235	275	350
Foreclosure, debtor	9	200	250	250	300	500
Foreclosure, lender	20	215	237	257	270	420
General Civil	188	184	225	230	258	350
Health & Hospital law	64	203	285	316	375	560
Immigration law	67	185	250	255	300	455
Indian Law	11	150	250	227	300	370
Insurance law (plaintiff)	46	275	380	379	450	600
Insurance law (defense)	148	150	168	192	200	320
Intellectual property	144	250	318	334	398	565
Labor and Employment	105	200	275	301	375	550
Landlord/tenant (commercial)	26	160	225	243	300	370
Landlord/tenant (residential)	82	150	200	196	250	275
Libel, slander and defamation	3	375	415	405	425	425
Marijuana Law	20	225	250	273	300	460
Medical malpractice (plaintiff)	43	300	400	448	500	900
Medical malpractice (defendant)	58	175	185	189	200	250
Municipal Law	110	150	165	190	235	330
Veterans and Military Law	5	180	200	220	295	300
Other Civil law	149	200	250	272	300	570
Other Professional Liability	22	210	300	298	350	425
Personal Injury (defendant)	102	150	170	186	200	310
Personal Injury (plaintiff)	186	275	350	362	400	600
Probate litigation	223	200	250	260	300	400
Guardianship/conservatorship	151	186	225	228	250	350
Probate-trust administration	599	200	250	256	295	400
Product liability	32	235	300	320	400	550
Property Damage	10	220	350	323	450	450
Public benefits	8	200	308	380	475	880
Real Estate	591	200	250	261	300	415

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**Table 7 – 2017 Hourly Rates Billing Rates by Field of Practice**

	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Schools and Education	25	175	240	233	285	350
Securities Law	40	250	343	361	485	575
Tax Law	145	250	310	345	400	590
Workers Compensation-employees	21	200	250	251	340	450
Workers Compensation-employer	18	100	120	130	140	275
<b>Total</b>	<b>8145</b>	<b>200</b>	<b>250</b>	<b>266</b>	<b>300</b>	<b>475</b>

**Table 8 – Attorney Hourly Billing Rates by County<sup>1</sup>**

County	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Alcona	3	195	198	198	200	200
Alger	6	150	200	184	200	225
Allegan	83	185	250	264	300	420
Alpena	7	167	198	235	217	550
Antrim	26	185	225	217	250	283
Arenac	0	.	.	.	.	.
Baraga	3	130	150	160	200	200
Barry	19	238	283	284	350	400
Bay	63	183	217	229	250	350
Benzie	21	200	225	235	273	328
Berrien	63	187	240	245	295	430
Branch	20	180	245	223	250	300
Calhoun	60	200	245	244	290	379
Cass	32	168	211	232	263	450
Charlevoix	21	200	225	229	250	333
Cheboygan	11	200	225	221	250	300
Chippewa	11	113	150	150	192	225
Clare	15	200	250	237	300	337
Clinton	84	200	230	231	250	300
Crawford	8	180	193	193	225	250
Delta	12	175	192	202	238	300
Dickinson	11	160	200	291	300	1,101
Eaton	112	198	230	251	266	350
Emmet	28	200	229	249	288	480
Genesee	168	199	235	252	294	500
Gladwin	10	200	223	217	260	275
Gogebic	5	175	225	200	250	300
Grand Traverse	74	193	232	238	257	383
Gratiot	16	200	227	228	275	337
Hillsdale	10	200	204	241	300	385
Houghton	16	168	200	204	238	335
Huron	5	167	170	181	195	225
Ingham	243	200	235	260	300	425

<sup>1</sup> Data is not displayed for categories with fewer than three respondents due to insufficient information but is included in the totals.

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**Table 8 – Attorney Hourly Billing Rates by County<sup>1</sup>**

County	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
Alcona	19	150	217	236	275	450
Iosco	3	125	138	153	195	195
Iron	4	143	163	200	258	350
Isabella	29	230	250	250	300	300
Jackson	56	200	233	237	280	385
Kalamazoo	117	175	240	259	305	450
Kalkaska	4	166	183	179	192	200
Kent	424	218	275	301	355	543
Keweenaw	5	180	200	274	317	525
Lake	7	150	175	195	250	342
Lapeer	48	188	220	246	263	433
Leelanau	36	200	223	223	250	328
Lenawee	48	200	200	220	250	350
Livingston	115	200	250	253	283	400
Luce	5	117	150	145	150	250
Mackinac	11	145	150	215	250	565
Macomb	866	200	250	265	300	425
Manistee	12	197	216	221	262	285
Marquette	31	150	200	201	250	300
Mason	14	150	193	194	250	275
Mecosta	12	217	250	227	250	290
Menominee	5	175	177	369	217	1,101
Midland	56	200	250	269	300	520
Missaukee	2	.	.	.	.	.
Monroe	54	183	200	217	235	340
Montcalm	19	151	200	217	267	400
Montmorency	5	167	175	171	175	198
Muskegon	85	200	250	265	295	520
Nawaygo	14	120	200	199	255	300
Oakland	1544	200	250	275	325	470
Oceana	25	163	200	213	250	350
Ogemaw	7	150	200	218	275	317
Ontonagon	5	200	200	185	225	250
Osceola	6	175	180	186	233	250
Oscoda	1	185	185	185	185	185
Otsego	18	175	200	220	275	350
Ottawa	225	220	270	290	333	520
Presque Isle	3	200	200	206	217	217
Roscommon	9	200	200	215	250	350
Saginaw	81	163	200	218	250	405
Sanilac	14	170	215	211	250	325
Schoolcraft	5	150	150	347	183	1,101
Shiawassee	18	200	225	257	300	567

<sup>1</sup> Data is not displayed for categories with fewer than three respondents due to insufficient information but is included in the totals.

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**Table 8 – Attorney Hourly Billing Rates by County<sup>1</sup>**

County	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
St. Clair	41	195	250	236	272	350
St. Joseph	21	175	200	213	233	280
Tuscola	20	175	221	219	250	329
Van Buren	60	180	233	245	293	450
Washtenaw	343	200	250	274	317	467
Wayne	1485	200	250	269	317	467
Wexford	9	175	200	206	233	305
Statewide Practice	31	200	255	265	325	400
Out of state practice	239	250	310	334	397	600
<b>Total</b>	<b>7582</b>	<b>200</b>	<b>250</b>	<b>265</b>	<b>300</b>	<b>465</b>

<sup>1</sup> Data is not displayed for categories with fewer than three respondents due to insufficient information but is included in the totals.

**Table 9 – 2017 Attorney Hourly Billing Rates by Circuit**

Circuit	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
1 Hillsdale	10	200	204	241	300	385
2 Berrien	63	187	240	245	295	430
3 Wayne	1485	200	250	269	317	467
4 Jackson	56	200	233	237	280	385
5 Barry	19	238	283	284	350	400
6 Oakland	1544	200	250	275	325	470
7 Genesee	168	199	235	252	294	500
8 Ionia, Montcalm	38	151	213	227	275	425
9 Kalamazoo	117	175	240	259	305	450
10 Saginaw	81	163	200	218	250	405
11 Alger, Luce, Mackinac, Schoolcraft	27	150	150	219	200	565
12 Baraga, Houghton, Keweenaw	24	158	200	213	238	335
13 Antrim, Grand Traverse, Leelanau	136	192	225	230	250	350
14 Muskegon	85	200	250	265	295	520
15 Branch	20	180	245	223	250	300
16 Macomb	866	200	250	265	300	425
17 Kent	424	218	275	301	355	543
18 Bay	63	183	217	229	250	350
19 Benzie, Manistee	33	200	222	230	273	328
20 Ottawa	225	220	270	290	333	520
21 Isabella	29	230	250	250	300	300
22 Washtenaw	343	200	250	274	317	467
23 Alcona, Arenac, Iosco, Oscoda	25	175	200	208	225	300
24 Sanilac	14	170	215	211	250	325
25 Marquette	31	150	200	201	250	300
26 Alpena, Montmorency	12	167	175	208	199	550
27 Newaygo, Oceana	39	160	200	208	250	350
28 Missaukee, Wexford	11	150	200	203	233	305

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**Table 9 – 2017 Attorney Hourly Billing Rates by Circuit**

Circuit	N	25 <sup>th</sup> Percentile	Median	Mean	75 <sup>th</sup> Percentile	95 <sup>th</sup> Percentile
29 Clinton, Gratiot	100	200	230	231	250	313
30 Ingham	243	200	235	260	300	425
31 St. Clair	41	195	250	236	272	350
32 Gogebic, Ontonagon	10	175	213	193	250	300
33 Charlevoix	21	200	225	229	250	333
34 Ogemaw, Roscommon	16	173	200	216	255	350
35 Shiawassee	18	200	225	257	300	567
36 Van Buren	60	180	233	245	293	450
37 Calhoun	60	200	245	244	290	379
38 Monroe	54	183	200	217	235	340
39 Lenawee	48	200	200	220	250	350
40 Lapeer	48	188	220	246	263	433
41 Dickinson, Iron, Menominee	20	163	176	293	300	1,101
42 Midland	56	200	250	269	300	520
43 Cass	32	168	211	232	263	450
44 Livingston	115	200	250	253	283	400
45 St. Joseph	21	175	200	213	233	280
46 Crawford, Kalkaska, Otsego	12	178	185	188	200	250
47 Delta	12	175	192	202	238	300
48 Allegan	83	185	250	264	300	420
49 Mecosta, Osceola	18	175	237	213	250	290
50 Chippewa	11	113	150	150	192	225
51 Lake, Mason	21	150	185	194	250	275
52 Huron	5	167	170	181	195	225
53 Cheboygan, Presque Isle	14	200	208	217	233	300
54 Tuscola	20	175	221	219	250	329
55 Clare, Gladwin	25	200	245	229	260	300
56 Eaton	112	198	230	251	266	350
57 Emmet	28	200	229	249	288	480
84 Statewide Practice	31	200	255	265	325	400
85 Out Of State Practice	239	250	310	334	397	600
<b>Total</b>	<b>7582</b>	<b>200</b>	<b>250</b>	<b>265</b>	<b>300</b>	<b>465</b>

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